

1 **DIRECT TESTIMONY OF**

2 **GEORGE A. LIPPARD III**

3 **ON BEHALF OF**

4 **SOUTH CAROLINA ELECTRIC & GAS COMPANY**

5 **DOCKET NO. 2011-2-E**

6
7 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND POSITION**
8 **WITHIN SOUTH CAROLINA ELECTRIC & GAS COMPANY (“SCE&G”**
9 **OR “COMPANY”).**

10 A. My name is George A. Lippard III. My business address is P.O. Box 88,
11 Jenkinsville, South Carolina 29065. I am employed by SCE&G as the General
12 Manager of Nuclear Operations at the Virgil C. Summer Nuclear Station
13 (“VCSNS” or “V.C. Summer”).
14

15 **Q. DESCRIBE YOUR EDUCATIONAL BACKGROUND AND YOUR**
16 **BUSINESS EXPERIENCE.**

17 A. I earned a Bachelor of Science degree in Mechanical Engineering from
18 Clemson University in 1979 and a Master of Business Administration degree
19 from the University of South Carolina in 1982. I joined SCE&G in 1983 as a
20 Nuclear Training Instructor at VCSNS. I received a Senior Reactor Operator
21 Certification in 1986 and a Senior Reactor Operator License in 1992 from the
22 United States Nuclear Regulatory Commission (“NRC”). Since joining the

1 Company, I have held positions in the Operations, Outage Management,
2 Licensing, and Training organizations. Most recently, I served for over five years
3 as V.C. Summer's Operations Manager until I was promoted to General Manager
4 of Nuclear Operations at V.C. Summer Station in February 2010.

5
6 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

7 A. The purpose of my testimony is to review the operating performance of
8 VCSNS during the period from January 1, 2010 through December 31, 2010
9 ("Review Period").

10
11 **Q. WHAT ARE SCE&G'S OBJECTIVES IN THE OPERATION OF VCSNS?**

12 A. SCE&G's primary objective at VCSNS is safe and efficient operation. The
13 Company also strives for excellence in all phases of operation of the facility. The
14 station's key focus areas of SAFETY, reliability, outage and work management,
15 work force development, and organizational effectiveness constitute our core
16 business plan elements. SCE&G's constant improvement in these areas over the
17 years has facilitated VCSNS's outstanding service record. Furthermore, our
18 business objectives are focused on maintaining a competitive production cost for
19 the generation of electricity using nuclear fuel.

1 **Q. WHAT HAS BEEN THE COMPANY’S EXPERIENCE WITH THE**
2 **PERFORMANCE OF THE VCSNS?**

3 A. SCE&G continuously meets or exceeds all NRC requirements and Institute
4 of Nuclear Power Operations (“INPO”) standards. VCSNS has performed well
5 during the Review Period. Consistent with the provisions of Section 58-27-865
6 of the South Carolina Code of Laws, as amended, V.C. Summer’s net capacity
7 factor based on reasonable excludable nuclear system reductions during the
8 Review Period was 100.3%, and the gross generation output was 8,822,600
9 megawatt hours (“MWHs”).

10 It is also worth noting that plant operations in 2010 established a new net
11 generation plant record of 8,487,079 MWHs. The previous best of 8,479,038
12 MWHs was set in 2007.

13
14 **Q. DID VCSNS EXPERIENCE ANY OUTAGES DURING THE REVIEW**
15 **PERIOD?**

16 A. Yes. During the Review Period, VCSNS experienced two forced outages.

- 17 • On the evening of February 4, 2010, the unit was brought offline to
18 repair a switchyard disconnect that was not properly engaged. The
19 unit returned to service just after noon the following day.
- 20 • On September 23, 2010, the unit was brought offline due to low oil
21 level on a reactor coolant pump. A leak was discovered and repaired,
22 and the unit returned to service on September 25.

1 **Q. WHEN WILL THE NEXT REFUELING OUTAGE OCCUR?**

2 A. Refueling outages are scheduled every 18 months to replace depleted fuel
3 assemblies. Maintenance and testing that cannot be done with the plant on-line
4 are also conducted during the refueling outage. SCE&G's next refueling outage,
5 Refueling Outage No. 19, is scheduled to begin on April 15, 2011, and is
6 expected to last 33 days.

7
8 **Q. PLEASE EXPLAIN THE ROLES OF INPO AND THE NRC WITHIN THE**
9 **NUCLEAR INDUSTRY AND DESCRIBE ANY RANKINGS RECEIVED**
10 **BY VCSNS FROM THOSE AGENCIES.**

11 A. INPO is a nonprofit corporation established by the nuclear industry to
12 promote the highest levels of nuclear safety and plant reliability. INPO promotes
13 excellence in the industry in the operation of nuclear electric generating plants.
14 For the applicable reporting period, INPO rated VCSNS's overall performance as
15 excellent which is the highest rating awarded.

16 The NRC is responsible for the licensing and oversight of the civilian use
17 of nuclear materials in the United States. The NRC has reported that VCSNS
18 operated in a manner that preserved public health and safety and fully met all
19 cornerstone objectives. During the reporting period, the NRC implemented no
20 supplemental inspections beyond the base inspection scope.

1 **Q. WHAT IS THE SPENT FUEL STORAGE CAPABILITY FOR VCSNS**
2 **AND WHAT IS THE PLAN FOR DEVELOPMENT OF A DRY FUEL**
3 **STORAGE FACILITY?**

4 A. V.C. Summer has sufficient capacity for spent fuel storage in the spent fuel
5 pool through the 23rd refueling outage in 2017. This allows capacity for a full
6 core off-load in addition to the spent fuel stored in the pool. The plant has
7 already developed plans for the construction of a dry fuel storage facility.
8 SCE&G anticipates that this facility will be in service by 2015.

9

10 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

11 A. Yes.